

**GOVERNMENT OF INDIA  
LABOUR AND EMPLOYMENT  
LOK SABHA**

STARRED QUESTION NO:241

ANSWERED ON:21.03.2005

SOCIAL SECURITY SCHEME FOR CONTRACT AND INDUSTRIAL LABOURERS

Choudhary Smt. Anuradha;Khan Shri Mohammad Tahir

**Will the Minister of LABOUR AND EMPLOYMENT be pleased to state:**

- (a) whether the Government is likely to announce a social security scheme for all the workers including contract and industrial labourers in the country;
- (b) if so, the details thereof;
- (c) whether the Government has reviewed the wages of the daily workers;
- (d) if so, the details thereof;
- (e) whether the Government is contemplating to amend the Labour Laws; and
- (f) if so, the details thereof?

**Answer**

MINISTER OF LABOUR AND EMPLOYMENT(SHRI K. CHANDRASEKHAR RAO)

(a) to (f): A statement is laid on the Table of the House.

Statement referred to in part (a) to (f) of the Lok Sabha Starred Question No. 241 for 21.03.2005 regarding Social Security Scheme for Contract and Industrial Labourers.

(a)&(b): Yes Sir. The Employees' Provident Fund Organisation under the Employees' Provident Fund and Miscellaneous Provisions Act, 1952 has been operating following three Schemes for the workers in the organized sector including workers engaged on contract basis and industrial labourers:

- (i) The Employees' Provident Fund Scheme 1952
- (ii) Employees' Pension Scheme, 1995 and
- (iii) Employees' Deposit Linked Insurance Scheme, 1976

Similarly, the Employees State Insurance Corporation (ESIC) has been implementing schemes for sickness & disability benefits for its members and medical & maternity care for them & their families. Recently, the ESIC announced 'Rajiv Gandhi Shramik Kalyan Yojna' to provide unemployment benefit to the workers who lose their jobs involuntarily. ESIC is also contemplating extension of coverage to workers in all municipal areas in the country. The Government have also been implementing Social Security Schemes including financial assistance for construction of houses, scholarships to school/college going children, group insurance and medical healthcare to the workers and their families engaged in beedi rolling, certain non-coal mine workers and cine workers under their respective welfare funds. The Government have recently enhanced the rate of cess on manufactured beedis from Rs. 2/- to Rs. 4/- per one thousand beedis to augment the fund position.

The Government have also appointed the National Commission on Enterprises in the informal/ unorganized sector under the Chairmanship of Dr. Arjun Sengupta to look into the problems of unorganized sector including social security. The Government have been further contemplating to bring out a legislation which inter alia, would provide social security to the unorganized sector workers. Consultations are being held with State Governments, central trade unions and other stakeholders on the draft of such a legislation the 'Unorganized Sector Workers Bill, 2004'.

(c) & (d): Minimum wages fixed by the appropriate Governments under the Minimum Wages Act, 1948 in respect of scheduled employments under their respective jurisdiction are also applicable to those engaged on daily basis. The Act provides for revision of the minimum wages at an interval not exceeding five years. Wherever minimum wages have a Variable Dearness Allowance (VDA) component, the VDA is revised periodically twice a year.

(e) & (f): Review / updation of labour laws is an ongoing process. Changes in the Labour laws are effected after detailed consultations

with the social partners with a view to harmonise the interests of all stakeholders. Action has been initiated to amend certain Acts like the Payment of Wages Act, 1936; which seeks to ensure payment of wages in time and does not allow any unauthorized deductions. Presently, it covers those employees who draw wages upto Rs.1600/- per month. It is proposed to increase this ceiling to Rs.6500/- per month to enlarge the coverage of workers. The amendment Bill has been passed by the Rajya Sabha on 02.12.2004. It would be taken up in the Lok Sabha in due course.